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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92054069
Party	Defendant Skydive Arizona, Inc.
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the matter of Registration No. 3,099,847 (Application Serial No. 76/641,146)

MARK: **SKYDIVE ARIZONA**

Registered on the Principal Register on June 6, 2006

Marc Hogue,

Petitioner,

vs.

Skydive Arizona, Inc.,

Respondent.

Cancellation No.: 92/054,069

**RESPONDENT'S OPPOSITION TO
PETITIONER'S MOTION TO
STRIKE PORTIONS OF
RESPONDENT'S REPLY**

Petitioner filed a Motion to Strike Portions of Respondent's Reply in Support of Motion for Summary Judgment (Dkt. #15) ("Motion to Strike"). Respondent opposes the Motion to Strike.

Motions to strike are disfavored. Indeed,

[T]he Board generally will not strike the brief, or any portion thereof, upon motion by an adverse party that simply objects to the contents thereof. Rather, any objections which an adverse party may have to the contents of such a brief will be considered by the Board in its determination of the original motion, and any portions of the brief that are found by the Board to be improper will be disregarded.

T.B.M.P. § 517; *see First Horizon Corp. v. Colwell*, Opposition No. 91158548 (Dkt. #14), 2004 TTAB LEXIS 549, at *4 n.4 (T.T.A.B. Aug. 27, 2004) ("the Board disfavors motions to strike"); *AOL v. Mohapatra*, Opposition No. 91115519 (Dkt. #48), 2004 TTAB LEXIS 455, at *4 (T.T.A.B. Aug. 10, 2004) (denying motion to strike summary judgment evidence because Board is not "actually trying the claims on their merits but only determining whether the non-movant has shown that it should be afforded the opportunity to go to trial"). The Board should deny the

Motion to Strike because Respondent put secondary meaning at issue by contesting Petitioner's standing, secondary meaning was otherwise squarely raised in Respondent's Motion for Summary Judgment (Dkt. #5), and Petitioner's belief regarding secondary meaning is relevant to claim and issue preclusion.

I. Respondent Put Secondary Meaning at Issue by Contesting Petitioner's Standing, and Petitioner Confirmed That Secondary Meaning Was at Issue.

Respondent contested Petitioner's standing by stating that the "Petition fails to meet Hogue's obligation to provide the grounds of his entitlement to relief." (Motion for Summary Judgment at 5.) Petitioner confirmed that standing was at issue, and that whether or not secondary meaning existed for SKYDIVE ARIZONA was central to Petitioner's standing, by stating in its Opposition to the Motion for Summary Judgment (Dkt. #11) ("Opposition") that "Petitioner has met the two requirements of a petition for cancellation. Petitioner has standing because he is harmed by the registration, and there are grounds for cancellation of the registration because *Respondent's SKYDIVE ARIZONA mark merely describes Respondent's services and is geographically descriptive.*" (Opposition at 4) (emphasis added.) Thus, it is inaccurate for Petitioner to suggest in the Motion to Strike that Petitioner's standing is not an issue for the Board to decide in the Motion for Summary Judgment.¹

¹ Petitioner seems to suggest that claim and issue preclusion are the only matters to be decided by the Board in connection with the Motion for Summary Judgment, and does not mention Petitioner's and Respondent's arguments about standing. That the Motion to Dismiss was converted to a Motion for Summary Judgment because of claim and issue preclusion does not remove the other issues raised in the Motion to Dismiss from the Board's consideration. *See, e.g., Zoba Int'l Corp. v. DVD Format/LOGO Licensing Corp.*, 98 U.S.P.Q.2d 1106, 1108 (T.T.A.B. 2011) (claim and issue preclusion decided as motion for summary judgment, and remaining claims were to be decided under Rule 12(b)(6) for failing to state a claim upon which relief may be granted); *Smith v. Entrepreneur Media, Inc.*, Cancellation No. 92053724 (Dkt. #17), 2011 TTAB LEXIS 297, at *14-15 (T.T.A.B. Sep. 22, 2011) (motion to dismiss converted to motion for summary judgment based in part on claim preclusion, but motion for summary judgment ultimately sustained based on petitioner's lack of standing).

If Petitioner agrees that SKYDIVE ARIZONA has secondary meaning, Petitioner does not have standing, because Petitioner will have not alleged any harm resulting from Respondent's registration. (*See* Motion for Summary Judgment at 5.) Further, if Petitioner agrees that SKYDIVE ARIZONA has secondary meaning, then there are no grounds for Petitioner to argue that SKYDIVE Arizona "describes Respondent's services and is geographically descriptive." (*See* Opposition at 4.) Thus, whether or not SKYDIVE ARIZONA has secondary meaning—or whether or not Petitioner believes SKYDIVE ARIZONA has secondary meaning—was at issue in the Motion for Summary Judgment at least because Respondent contested Petitioner's standing and Petitioner responded to the standing arguments. *See, e.g., Myers v. Gilbert*, Opposition No. 91182094 (Dkt. #8), 2009 TTAB LEXIS 611, at *4-5 (T.T.A.B. Sep. 22, 2009) (dismissing opposition because opposer failed to meet burden to prove standing and geographic descriptiveness, where opposer asserted harm because allegedly geographically descriptive mark prevented him from using his business name).² Therefore, the Motion to Strike should be denied.

Moreover, Petitioner confirmed that secondary meaning was at issue because Petitioner argued in opposition to the Motion for Summary Judgment that "it would be patently unfair to bind Petitioner," to the Arizona court's finding of secondary meaning in SKYDIVE ARIZONA. (*See* Opposition at 10.) Petitioner put the "fairness" of the Arizona court's finding at issue, and Respondent's arguments about Petitioner's *belief* regarding secondary meaning in SKYDIVE ARIZONA are therefore relevant. As stated in Respondent's Reply in Support of the Motion for Summary Judgment (Dkt. #13) ("Reply"):

It would not be unfair [to bind Petitioner] because Petitioner agrees with the court that the mark is strong. As stated earlier, Petitioner

² As permitted by the Board's rules, T.B.M.P. § 101.03, Respondent cites non-precedential cases for their persuasiveness, and not as binding precedent.

has not come forward with any evidence to show that he now disagrees with his previous position regarding the strength of the mark, even though it was his burden to do so. *See Stephen Slesinger, Inc. v. Disney Enters., Inc.*, 98 U.S.P.Q.2d 1890, 1894-95 (T.T.A.B. 2011) (petitioner's burden to present evidence contrary to ownership issue decided in previous lawsuit).

(Reply at 7.)

At least Petitioner's belief regarding secondary meaning in the SKYDIVE ARIZONA mark is at issue in the Motion for Summary Judgment, and the Motion to Strike should therefore be denied.

II. Secondary Meaning Was Otherwise Squarely Raised in the Motion for Summary Judgment.

The Board should also deny the Motion to Strike because, contrary to Petitioner's assertion, secondary meaning—whether or not it existed and whether or not Petitioner believed it existed—was squarely raised in the Motion for Summary Judgment. The Motion to Strike is therefore baseless and should be denied.

Secondary meaning was raised in at least the following portions of the Motion for Summary Judgment (all emphasis added):

The validity of the SKYDIVE ARIZONA mark was at issue in the trademark infringement suit. Defendant Mike Mullins asserted as defenses that the mark was invalid because it was allegedly descriptive of the services and allegedly geographically descriptive, the *same issues that Petitioner Hogue attempts to raise* again here in the Petition to Cancel filed in this proceeding. See Exh. A, at 18. In the trademark infringement suit, the federal court found that the SKYDIVE ARIZONA mark “describes the activity of skydiving in general, as well as the location of the service,” but held that the mark was valid because it had acquired *secondary meaning*. Exh. A, at 18-19. (Motion for Summary Judgment at 3.)

In short, the court found that the evidence introduced by Respondent showed “a lengthy, continuous, frequent use of the mark, worldwide recognition, widespread advertising, [and] affiliation with worldwide events.” Exh. A, at 21. Based upon the

evidence introduced in the prior trademark infringement suit, the court found that “a finding of ***secondary meaning*** is appropriate as a matter of law.” Exh. A, at 21. This finding was necessary to support the court’s judgment. See Exhs. A, B & C. (Motion for Summary Judgment at 4.)

The validity of the SKYDIVE ARIZONA mark was at issue in the trademark infringement suit, and Defendant Mike Mullins asserted as defenses that the mark was invalid because it was allegedly descriptive of the services and allegedly geographically descriptive, the ***same issues that Petitioner Hogue attempts to raise*** again in the Petition to Cancel filed in this proceeding. (*Id.* at 6.)

In the prior trademark infringement action, the federal district court entered a final judgment in favor of Respondent and against Defendant Mike Mullins on the defense of descriptiveness, and expressly found that the SKYDIVE ARIZONA mark had acquired ***secondary meaning***. (*Id.* at 6-7.)

The same evidence of secondary meaning introduced in the prior trademark infringement suit would be used here to once again show that the mark SKYDIVE [ARIZONA] has acquired ***secondary meaning***. This cancellation proceeding would merely be a re-litigation of exactly the same issues previously decided against Petitioner’s predecessor in the prior trademark infringement suit. (*Id.* at 7.)

In the prior trademark infringement action, the same issues of descriptiveness were decided. Respondent overcame the defense of descriptiveness by proving that the mark SKYDIVE ARIZONA had acquired ***secondary meaning***. . . . The interests of Petitioner were fully represented by Hogue’s predecessor-in-interest in the prior trademark infringement suit. (*Id.* at 9.)

Whether or not SKYDIVE ARIZONA in fact has secondary meaning (relevant to standing) and whether or not Petitioner believes SKYDIVE ARIZONA has secondary meaning (relevant to standing and claim and issue preclusion, as discussed below) were both raised in the Motion for Summary Judgment. Petitioner introduced no evidence to show why the Board should allow the issue of secondary meaning to be relitigated. That Petitioner failed to address Respondent’s arguments regarding secondary meaning in the context of issue preclusion (*see*

Reply at 7-9), does not mean the Board should not consider Respondent's arguments about secondary meaning. The Motion to Strike should be denied.

III. Petitioner's Belief Regarding Secondary Meaning Is Relevant to Claim and Issue Preclusion.

Hogue suggests that Petitioner raised the issue of secondary meaning for the first time in Petitioner's Reply in support of the Motion for Summary Judgment. (*See* Motion to Strike at 1.) But he is wrong. To survive the Motion for Summary Judgment based on claim and issue preclusion, Hogue was required to show that there remained a genuine issue of material fact regarding claim and issue preclusion—for example, that there is some reason SKYDIVE ARIZONA no longer has secondary meaning. *See Stephen Slesinger*, 98 U.S.P.Q.2d at 1894-95 (petitioner's burden to present evidence contrary to ownership issue decided in previous lawsuit). He did not. He failed to even address the law regarding issue preclusion. (*See* Reply at 7-9.) The Motion to Strike should be denied and the Motion for Summary Judgment should be granted.

Petitioner's belief regarding secondary meaning of SKYDIVE ARIZONA is relevant both to claim and issue preclusion, as discussed below. But "Petitioner Hogue has not presented—and it is inconceivable that he could attempt to present, based on his prior testimony—evidence that SKYDIVE ARIZONA does not have secondary meaning." (Reply at 3.) His failure to present any evidence regarding a change in secondary meaning in SKYDIVE ARIZONA merits summary judgment on both claim and issue preclusion. *See Stephen Slesinger*, 98 U.S.P.Q.2d at 1894-95.

Respondent's belief regarding secondary meaning is relevant to the claim preclusion arguments in the Motion for Summary Judgment. Claim preclusion will bar a party in a second suit if: (1) there is identity of parties (or their privies); (2) there has been an earlier final judgment on the merits of a claim; and (3) the second claim is based on the same set of

transactional facts as the first. *Jet Inc. v. Sewage Aeration Systems*, 223 F.3d 1360, 1362, 55 U.S.P.Q.2d 1854, 1856 (Fed. Cir. 2000), *quoting Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 326 n.5 (1979). Issue preclusion will bar a party in a second suit if: (1) the issue to be determined must be identical to the issue involved in the prior litigation; (2) the issue must have been raised, litigated and actually adjudged in the prior action; (3) the determination of the issue must have been necessary and essential to the resulting judgment; and (4) the party precluded must have been fully represented in the prior action. *See Jet Inc.*, 223 F.3d at 1365-66, 55 U.S.P.Q.2d at 1858-59; *Stephen Slesinger*, 98 U.S.P.Q.2d at 1894.

Relevant to both claim and issue preclusion was Petitioner's argument regarding secondary meaning in the Opposition that, "it can hardly be said that Mullins actually litigated this issue, and it would be patently unfair to bind Petitioner to an issue decided based upon non-party Mullen's [*sic*] failures." (Opposition at 10.) Even if the Board finds secondary meaning was not raised in the Motion for Summary Judgment, Petitioner at least raised the issue in the Opposition. To show the inaccurate nature of Petitioner's "patently unfair" statement, Respondent introduced evidence showing that Petitioner believes the prior decision regarding secondary meaning was accurate:

I will say and I said it many times, Skydiving [*sic*] Arizona is the best drop zone in the world. There's no question about it. It is a big business. It is a great drop zone. . . . it is the name that's known out there.

(Deposition of Marc Hogue, Motion for Summary Judgment, Exh. F, at 75:15-78:2.)

Q. [By Mr. Leach] Is Skydive Arizona well known in the skydiving community or market?

A. [By Mr. Hogue] Yes. . . .

Q. Is Skydive Arizona famous in the skydiving market.

A. Yes.

Id. at 114:16-115:1.

If Petitioner believes that the court's prior decision regarding secondary meaning was accurate, it would not be "patently unfair" to bind Petitioner to that decision. But it would be patently unfair to subject the Board and Respondent to relitigating an issue Petitioner does not really contest. Petitioner's belief regarding secondary meaning was at issue throughout the Motion for Summary Judgment, and the Motion to Strike should be denied.

Based on Petitioner's arguments regarding secondary meaning in the Opposition, it can "hardly be said" that secondary meaning was not at issue in the Motion for Summary Judgment. And Petitioner has given the Board no reason to believe that he will say anything different from what he said before regarding secondary meaning. *See Stephen Slesinger*, 98 U.S.P.Q.2d at 1894-95 (petitioner's burden to present evidence contrary to ownership issue decided in previous lawsuit). There is no evidence that Petitioner should be entitled to go to trial on the issue of whether or not SKYDIVE ARIZONA has secondary meaning. The only evidence of record shows that claim and issue preclusion bar Petitioner from relitigating secondary meaning. The Motion to Strike should be denied, and the Motion for Summary Judgment should be granted.

Respectfully submitted, this 12th day of October, 2011:

SNELL & WILMER L.L.P.

By /David G. Barker/
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Certificate of Service

I hereby certify that on this 12th day of October, 2011, I caused a copy of the foregoing RESPONDENT'S OPPOSITION TO PETITIONER'S MOTION TO STRIKE PORTIONS OF RESPONDENT'S REPLY to be served by mailing a copy via the United States Post Office, postage prepaid, in an envelope addressed to:

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One East Washington Street, Suite 1900
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By: /David G. Barker/
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